DOCUMENT RESUME

ED 223 927 CG 016 335

AUTHOR Taylor, M. Susan; Covaleski, Mark A.
TITLE Predicting Individuals' Turnover and Internal Transfer Behavior. Wisconsin Working Paper 6-82-31.
INSTITUTION Wisconsin Univ., Madison. Graduate School of Business.
PUB DATE Jun 82
NOTE 21p.; Paper presented at the Annual Meeting of the Midwestern Psychological Association (54th, Minneapolis, MN, May 6-8, 1982).
PUB TYPE Reports - Research/Technical (143) -- Speeches/Conference Papers (150)

EDRS PRICE MF01 Plus Postage. PC Not Available from EDRS.
DESCRIPTORS Career Choice; *Career Planning; Employees; Employment Opportunities; *Job Satisfaction; Longitudinal Studies; Nurses; *Occupational Mobility; Organizational Climate; Predictor Variables; Values; Vocational Adjustment; *Work Attitudes

ABSTRACT

Researchers have spent considerable time and effort in the last 5 years developing process models to explain individuals' job turnover behavior. To examine the predictability of internal job transfers and turnover behavior from individuals' work values, career plans, and job satisfaction, nurses (N=160) completed questionnaires on demographic characteristics, job satisfaction, and work-related values, and surveys measuring job and work-related attitudes, and career values and plans. One year later nurses were classified as stayers, transferees, or leavers. Results showed that values and career plans rather than job satisfaction discriminated between those who remained in their jobs, accepted internal transfers, or turned over within the 1 year research period. The findings raise doubts about the use of internal transfers as a substitute for turnover and support the importance of employees' expectations about future satisfaction as a major determinant of job movement. (PAS)

****
* Reproductions supplied by EDRS are the best that can be made *
* from the original document. *
****

ED223927

WISCONSIN WORKING PAPER

6-82-31

HARD COPY NOT AVAILABLE

PREDICTING INDIVIDUALS' TURNOVER AND INTERNAL TRANSFER BEHAVIOR

BY

M. SUSAN TAYLOR AND MARK A. COVALESKI

JUNE 1982

U.S. DEPARTMENT OF EDUCATION
NATIONAL INSTITUTE OF EDUCATION
EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)

☒ This document has been reproduced as received from the person or organization originating it.
☐ Minor changes have been made to improve reproduction quality.

• Points of view or opinions stated in this document do not necessarily represent official NIE position or policy.

"PERMISSION TO REPRODUCE THIS MATERIAL IN MICROFICHE ONLY HAS BEEN GRANTED BY

M. Susan Taylor

TO THE EDUCATIONAL RESOURCES INFORMATION CENTER (ERIC)."

GRADUATE SCHOOL OF BUSINESS

UNIVERSITY OF WISCONSIN-MADISON

CG 016335

Predicting Individuals' Turnover and Internal Transfer Behavior[1]

M. Susan Taylor[2]

Mark A. Covaleski

University of Wisconsin-Madison

Send Correspondence to:

M. Susan Taylor

Graduate School Of Business

1155 Observatory Drive

Madison, Wisconsin 53706

Researchers have spent considerable time and effort over the last five years developing process models intended to explain individuals' turnover behavior, i.e., permanent separations from their work organizations (e.g., Bluedorn, 1980; Mobley, 1977; Price, 1977). In general, the turnover models propose a sequential process whereby employees become dissatisfied with their jobs, begin to search for alternative positions, search, evaluate the alternatives, and decide to leave the organization. Overall, however, the power of these models has been relatively low, explaining on the average only 20% of the variance within turnover (Michaels & Spector, 1982; Price & Mueller, 1981).

Recently, Todor & Dalton (1981) have proposed that the relatively low power of the process models may be due to their failure to consider job movement inside the organization (transfers) as substitutes for turnover. They believe that much turnover is caused by individuals' dissatisfaction with their work situations, not with the employing organization. Thus, individuals are thought to view transfers as a less costly means to increase their job satisfaction than turnover. The receipt of a transfer, if available, supposedly results in increased satisfaction with the job situation and a lower probability of turnover. Conversely, if transfers are unavailable, individuals are hypothesized to begin exhibiting the turnover response, including reduced organizational commitment, increased job search and evaluation, forming the intention to leave, and leaving.

Since empirical tests of turnover models have often used a single measure of job satisfaction taken at the time 1, followed by a measure of turnover or related responses (e.g., intention to leave, etc.) at time 2, Todor & Dalton (1981) believe that the omission of transfers from the models has lowered their explanatory power. The researchers point out that current empirical tests of these models display low levels of validity because they fail to exclude indi-

viduals who may have received transfers in the interim and thereby experienced increased job satisfaction and a reduced probability of leaving.

In general, the proposal is quite similar to March & Simon's (1959) earlier model of individuals' decisions to participate in organizations. March & Simon (1959) proposed that individuals' desire to leave the organization would be decreased by high subjective probabilities of internal transfers. Unfortunately, as Mobley (1982) has noted, the March & Simon (1959) model has been subjected to relatively little empirical research in general, and this particular hypothesis has not been tested.

However, the Todor & Dalton (1981) hypothesis has received at least one empirical test. These researchers surveyed 432 employees of a large western utility and classified individuals according to whether they requested and received a transfer in the previous year: Group 1 - Those requesting but not receiving a transfer; Groups 2 - Those requesting and receiving a transfer; Group 3 - Those neither requesting nor receiving a transfer. Assuming transfers are used as substitutes for turnover, Todor & Dalton (1981) predicted that Groups 2 and 3 would not differ from one another with respect to job satisfaction, organizational loyalty, or the intention to stay, but each was predicted to be significantly greater than Group 1 on the variables.

The results of the study provided strong support for all three hypotheses, causing the researchers to suggest that transfer behavior be included in process models of turnover behavior at the point between dissatisfaction and reduced organizational committment. However, they noted the importance of testing the relationship further with longitudinal data permitting a closer examination of the causal directions implied by the findings. Seemingly, there are both important practical and conceptual implications of their results.

Practically, Todor & Dalton (1981) pointed out that a large number of transfers were made by the sample and that almost half of the moves were nonpromotional, i.e., transfers to jobs of less or equal pay. They concluded that many employees were using transfers to avoid undesirable job situations (coworkers, superiors) rather than to attain more enriched or higher paying positions. Thus, the researchers recommended that organizations reduce voluntary turnover rates by examining their transfer policies closely for equity and effectiveness and by informing employees of these policies.

Conceptually, it can be seen that both the topics of turnover and intraorganizational mobility have received increased attention in the last five years. There are several comprehensive models of turnover behavior (Bluedorn, 1980; Mobley, 1977; Price, 1977) and more recently, Anderson, Milkovich and Tsui (1981) have developed models explaining the determinants of internal mobility at the individual and organizational level. However, the Todor & Dalton (1981) proposal represents one of the few attempts to integrate the conceptual literature on internal mobility with that on turnover.

Unfortunately, although the idea of substituting transfers for turnover is appealing, its validity must be questioned because of the assumption that individuals' dissatisfaction with current work role is the major cause of turnover. In contrast, other researchers have proposed that individuals' expectations about the future satisfaction of thier work values and career plans in the organization, rather than their current satisfaction levels, are more significant causes of turnover. Specifically, Mobley and his associates (Mobley, 1982; Mobley, Griffeth, Hand & Meglino, 1979) hypothesize that individuals' develop perceptions about how instrumental internal (organizational) positions vs external ones (those outside the organization) are for attaining the future satisfaction of their work values and career plans. These instrumentality perceptions

are believed to exert a greater effect on turnover than current satisfaction level. As Mobley (1982) states:

> It is important to recognize that just as the dissatisfied employee may not quit, given positive expectations about future roles in the organization, the currently satisfied employee who has negative expectations about the future in the organization may quit... (pp. 128-129).

To date, Mobley's hypothesis has not been tested. However, if valid, the proposal implies that opportunity for internal transfers, particularly the more frequent nonpromotional types, would have a limited effect on organizational turnover rates. Those who turnover would be expected to do so only after deciding that internal positions were less instrumental for attaining the future satisfaction of their work values and career plans than external jobs. Thus, unless organizations were able and willing to make significant changes in the nature and number of transfer opportunities, they might find employment procedures leading to the selection of those whose values are consistent with available outcomes more useful for controlling voluntary turnover than transfer ones.

It can be seen that Mobley's (1982) hypothesis and that of Todor & Dalton (1981) generate different predictions about the attitudes and values of those who transfer and turnover. Mobley's (1982) proposal predicts that work values and career plans, rather than current job satisfaction levels, would distinguish those who remain in the same job (stayers), from those who accept internal transfers (transferees) and those who turnover (leavers). Specifically, stayers and transferees would be expected to report different values and plans from one another, but ones, nevertheless, consistent with outcomes which could be obtained from organizational positions. Leavers should report values and plans inconsistent with outcomes available from internal positions.

Conversely, Todor & Dalton's hypothesis would predict differences in the current job satisfaction of stayers, leavers, and transferees. Specifically, at

time 1, individuals who subsequently choose voluntary turnover or transfer at time 2 should show significantly lower levels of job satisfaction than those who remain in their same jobs, since both transfer and turnover are responses to dissatisfaction. However, since transfers can be used as a substitute for turnover, the leaver and transferee groups should not differ significantly from one another.

In summary, the Mobley (1982) hypothesis and that of Todor and Dalton (1981) have important but different implications for research and practice in the turnover area, yet neither has been well examined empirically. The purpose of this study was to investigate the relative support for the predictions generated by the two hypotheses.

Research Setting & Hypotheses

Hypotheses were tested on a sample of staff nurses employed by a university affiliated hospital in the midwest. The setting was chosen primarily because of the hospital administration's transfer policies. Transfers into vacant positions were permitted as long as minimum requirements were met and the transfer was acceptable to the managing head nurse. Although transfers were unable to yield large salary increases or higher level positions, the moves nevertheless provided the nonpromotional transfers discussed by Todor & Dalton (1981). Through transfers, nurses could experience changes in any of the following aspects of their work roles: type of care provided, co-workers, supervision, physical work setting, and hours of work.

A predictive design was used for the study. Attitudinal data was collected at time 1, and employment status at time 2, one year later. During the research period, 12% of the sample accepted voluntary transfers and 21% left the hospital voluntarily.

Consistent with Todor & Dalton's (1981) proposal, the following hypothesis was investigated.

1. Job satisfaction levels of staff nurses measured at time 1 will discriminate between stayers, transferees and leavers one year later. Specifically, the satisfaction of the stayer group will be significantly higher than that of the transferee and leaver ones which will not differ significantly from one another.

Consistent with Mobley's proposal, the second hypothesis investigated was:

2. The work values and career plans of nurses measured at time 1, will discriminate between stayers, transferees, and leavers one year later.

METHOD

Procedure

Questionnaires asking about individuals' demographic characteristics, job satisfaction, and work-related values were distributed randomly to 210 staff nurses, ten from each of the 21 hospital units. Through a cover letter, nurses were asked to participate in a survey intended to measure their job and work-related attitudes as a part of a study being carried out on the hospital's pharmacy medication program. They were requested to return the completed surveys to the researchers through campus mail and were promised a $5.00 honorarium and high confidentiality of individual responses.

Two weeks later the original sample of nurses was recontacted and asked to complete a final measure for the study, a short questionnaire concerning their career values and plans. Individuals' employment status was obtained from hospital records one year after the career value measure was distributed.

Sample

One hundred sixty nurses representing all 21 hospital units completed the original questionnaire, representing approximately a 77% return rate. Of these, 125 (78%) nurses returned the career questionnaire approximately a 60% return

from the original sample of 160. The average participant was a female, 29 years of age, held a bachelors nursing degree and had five-years of nursing experience. The number of nurses participating from each unit varied from 2 to 9.

Measurement of Variables

Work Values. Values for work outcomes were measured using the Growth Need Strength Questionnaire (Hackman and Oldham, 1976). A total of six work values were measured. They were: 1) Value for motivating job characteristics (six items); 2) Value for fair supervision recognition (one item); 3) Value for high job security (one item); 4) Value for friendly co-workers (one item); 5) Value for high salary and fringe benefits (one item); 6) Value for quick promotions (one item).

Job Satisfaction. Job satisfaction was measured by the Index of Organizational Reactions (Dunham & Smith, 1979). The instrument uses a five point scale to measure eight facets of job satisfaction and has been shown to display acceptable levels of internal consistency reliability and construct validity (Dunham & Smith, 1979). Coefficient alphas displayed by the eight satisfaction facets within this study were: 1) Supervision (.88); 2) Type of work (.88); 3) Amount of work (.76); 4) Co-workers (.77); 5) Physical work conditions (.90); 6) Pay (.80); 7) Career opportunities (.67); 8) Organizational Treatment (.71).

Career Values & Plans. A five point response format, ranging from strongly disagree to strongly agree, was used to measure participants' values for nursing as a career and their career plans. These items were developed specifically for the present research and are shown in Table 1. They were taken largely from the work of Kramer (1974) who has spent almost ten years researching the reasons new nursing graduates leave nursing for other occupations. Kramer (1974) has found that nurses may hold very different views of their occupation including

Insert Table 1 About Here

viewing it as: 1) a valuable and satisfying career; 2) a satisfying career which needs a more professional orientation; 3) a job secondary to their primary roles as a homemaker; and 4) a means of support until retraining for a more desirable job.

Participants' value for nursing as a career, as measured by items 1-4, displayed an acceptable level of internal consistency ($\alpha = .74$). Single items were used to assess four career plans: 1) Plan to quit one's job within the next year (#5); 2) Plan to enter a graduate program in nursing within the next five years (#6); 3) Plan to work only in the home at some point during the next five years and (#7); and 4) Plan to enter a graduate program outside of nursing within the next five year (#8).

Employment Status. Employment status was taken from hospital records. Individuals were classified one year after collection of attitudinal data as "stayers"--employed in the same hospital unit; "transferees"--employed in different unit; or "leavers"—leaving hospital employment voluntarily.

RESULTS

Group Discrimination Using Job Satisfaction

In order to test Hypothesis I, multiple discriminant analysis was performed on the sample using the SPSS package, version 8 (Nie, Hull, Jenkins, Steinbrenner & Bent, 1975). The eight job satisfaction facets were entered in a stepwise procedure and used to discriminate between the stayer, transferee, and leaver groups.

Results of the analysis provided little support for the Todor & Dalton (1981) proposal. Neither of the resulting discriminant functions proved signif-

icant ($\chi^2(6) = 9.14$, ns; $\chi^2(2) = .81$, ns). Further, together they were able to place only 36% of the sample in the correct group classification, a minimal improvement over the 33% expected by chance. Thus, nurses' job satisfaction proved relatively poor predictors of whether they subsequently remained in their positions or left them.

As further confirmation of these results, nurses were placed in a two-fold classification, either leaving (turnover group) or staying (stayers and transferees). Two stepwise multiple regressions were run to see if the predictability of turnover from satisfaction differed when the transferee group was included or omitted from the sample. Recall that Todor & Dalton (1981) hypothesized higher predictability when omitting the transferee group, since the receipt of transfers supposedly lowers the propensity to leave. Again, no support emerged for the hypothesis. The R^2s were nonsignificant and identical for both groups (with transferees - $R^2 = .04$, $F_{(7,132)} = .76$; ns; w/o transferees - $R^2 = .04$, $F_{(7,114)} = .71$, ns).

Group Discrimination with Work Values & Career Plans

Multiple disciminant analysis also was used to test Hypothesis 2. The six work values, value for nursing as a career, and four career plans were entered in a stepwise procedure and used to discriminate between the stayer, transferee and leaver groups.

Consistent with the Mobley (1982) proposal, two significant discriminant functions resulted from the analysis: (Function 1 - $\chi^2(12) = 34.72$, $p<.001$; Function 2 - $\chi^2(5) = 14.86$, $p<.02$).

The functions were comprised of six variables: 1) Plan to leave the present job within a year; 2) Plan to seek a graduate degree outside of nursing within the next five years; 3) Plan to work only in the home within the next five years; 4) Plan to seek a graduate degree in nursing in the next five years; 5) Value for friendly co-workers; and 6) Value for nursing as a career.

Function 1 displayed a canonical correlation of .40 with the group membership variables and served to separate the leaver and transferee groups from the stayer one (see Table 2 for Group Centroids). Function 2 had a canonical correlation of .35 with the group membership variables and served to separate the transferees from the leavers (see Table 2).

Insert Table 2 About Here

A varimax rotation was used in the analyses to provide a clearer interpretation of function coefficients (see Table 3). Results indicated that leavers were separated from stayers by their plans to leave the present job within a year, not to work on a graduate degree outside of nursing in the next five years, and to work only in the home within the next five years. Transferees were separated from leavers by their plan to complete a graduate degree in nursing in the next five years, and by their lower values for friendly co-workers, and nursing as a career.

Insert Table 3 About Here

Morrison (1974) has pointed out the importance of using the entire research sample in discriminant analysis to determine which independent variables are the best discriminators, and of maintaining a holdout group in order to provide an unbiased evaluation of the discriminant functions' performance. In an attempt to meet both these objectives, the stepwise multiple discriminant analysis was rerun on 70% of the total sample and the resulting functions used to classify the 30% holdout sample. Again, virtually identical discriminant functions emerged as significant ($\chi^2(12) = 32.96$, $p<.001$; $(\chi^2(5) = 12.34$, $p<.05)$. The

performance of the functions in classifying the holdout sample vs. the developmental one was lower (47% vs 59%) but appears sufficiently robust to support hypothesized differences in the work value and career plan variables. Since functions obtained from the two analyses differed minimally, only results obtained from the full sample are discussed.

DISCUSSION

The results of this study provided little support for Todor & Dalton's hypothesis (1981) concerning the use of internal transfers as a substitute for turnover. Those nurses accepting transfers during the research period and those choosing to leave their jobs did not differ significantly in job satisfaction from those who remained on the same job. Nor did the omission of the transferee group from regression analysis improve the prediction of turnover from job satisfaction.

Instead, it appears that those who turned over possessed career plans inconsistent with outcomes provided by internal positions. For example, nurses who turned over: 1) expressed long-term plans to work only in the home, an aspiration inconsistent with any organizational position; 2) did not plan to work on further educational degrees, thus the proximity of the employing hospital to the university was not of concern to them; and 3) already had made short-term plans to leave their jobs.

Conversely, transferees possessed career plans and work values consistent with outcomes which could be obtained from internal positions. Transferee nurses desired a more professional involvement in nursing, one that could be obtained by remaining with their current employer. Because they placed less value on the importance of friendly social relationships, the loss of co-workers incurred by a transfer would have been minimal. Further, a transfer would pro-

vide a broader exposure to nursing functions and personnel which might have assisted them in gaining admittance to a graduate nursing program. In addition, the hospital was known to provide educational leaves of absence and flexibility in the work schedules of nurses attending classes. Thus current employment was quite consistent with the career goals of transferees.

In fact, the work values and plans of transferees are remarkably similar to the "bicultural troublemakers" identified by Kramer (1974) in her work on nursing socialization. Possessing a strong identification with both the nursing profession and their employing hospitals, bicultural troublemakers accepted frequent internal transfers, planned further nursing education only after accumulating "sufficient" work experience, and expressed high, but qualified, values for nursing as a career, e.g., I'm pleased but...nursing has a long way to go" (Krammer 1974, p.92).

Practically, these findings suggest that while transfer opportunities may be utilized by those whose work values and goals are consistent with organizational outcomes, the ability to make internal moves, particularly non-promotional ones, will have little effect for the retention of individuals whose values are inconsistent with organizational outcomes. Further, it seems likely that the majority of those who turnover would fall within the latter category. Recently, Dalton, Krackhardt Porter (1981) reported evidence supporting this assumption. Classifying turnover due to family commitment, education, and health matters as "unavoidable," Dalton et al. (1981) found that 52% of the turnover within sampled branch banks fell into this category.

However, it should be noted that internal transfers capable of providing a wide range of outcomes, such as those built into many career development programs (e.g., Walker, 1980), would be expected to appeal to a greater portion of employees than those in the present study. Nevertheless, for organizations

unable or unwilling to provide these kinds of internal moves, it appears that well developed recruitment and selection systems which screen-in employees well matched with organizational outcomes might prove most valuable in the reduction of turnover.

Conceptually, these findings provide support for Mobley's (1982) hypothesis concerning the utility of individuals' expectations of future job satisfaction in predicting turnover. The results suggest that the link between internal mobility and turnover may lie in the amount and nature of information employees possess about internal and external positions and in their perceived congruence with individuals' work values and career plans.

The present study tested Mobley's idea using values and plans known to be congruent or incongruent with organizational outcomes. However, even stronger results might have been obtained with the direct measurement of instrumentality perceptions for internal and external positions, a variable currently being tested in another study. Also, while current satisfaction level was not found to be a good predictor or subsequent job movement in this study, it may well prove to supplement the prediction of turnover from instrumentality perceptions in cases where leaving is more of an impulsive act. Therefore, it is recommended that other researchers begin to examine individuals' instrumentality perceptions for internal and external positions, the way in which these perceptions are formed, and their current level of job satisfaction as predictors of job movement. Hopefully, one result of such efforts will be a better understanding of the relationship between external and internal job movement. Another result may be greater insight into the job search process as well.

References

Anderson, J. C., Milkovich, G. T., & Tsui, A. A model of Intra-organizational Mobility. Academy of Management Review, 1981, 6, 529-539.

Bluedorn, A. C. A unified model of turnover from organizations. Proceedings of the Academy of Management, Detroit, 1980.

Dalton, D. R., Krackhardt, D. and Porter, L. Functional turnover: An empirical assessment. Journal Applied Psychology, 1981, 66, 716-721.

Dunham, R. B. and Smith, F. J. Organizational Surveys: An internal assessment of organizational health: Glenview, Illinois: Scott Foresman & Company, 1979.

Hackman, J. R. and Oldham, G. R. Motivation through the design of work. Organizational Behavior & Human Performance, 1976, 16, 250-279.

Kramer, M. Reality shock: Why nurses leave nursing. St. Louis: C. V. Mosby Company, 1974.

March, T. G. and Simon, H. A. Organizations, New York: John Wiley, 1958.

Michaels, C. E. and Spector, P. E. Causes of employee turnover: A test of the Mobley Griffeth, Hand & Meglino model. Journal of Applied Psychology, 1982, 67, 53-59.

Mobley, W. H. Employee turnover: Causes, consequences, and control. Reading, Mass. & Addison Wesley, 1982.

Mobley, W. H. Intermediate linkages in the relationship between job satisfaction and employee turnover. Journal of Applied Psychology, 1977, 62, 237-240.

Mobley, W. H., Griffeth, R. W., Hand, H. H. and Meglino, B. M. Review and conceptual analysis of the employee turnover process. Psychological Bulletin, 1979, 86, 493-522.

Morrison, D. G. On the interpretation of discriminant analysis. Journal of Marketing Research, 1969, 6, 156-163.

Nie, N. H., Hull, C. H., Jenkins, J. G., Steinbrenner, K. and Bent, D. H. Statistical package for the social sciences. New York: McGraw Hill, 1975.

Price, T. L. & Mueller, C. W. A causal model for turnover of nurses. Academy of Management Journal, 1981, 24, 543-565.

Todor, W. D. and Dalton, D. R. Internal transfers: An alternative to turnover. Paper presented to the Annual Academy of Management Meetings, Detroit, 1980.

Walker, J. W. Human Resource Planning. New York: McGraw-Hill, 1980.

Footnotes

1. An earlier version of this manuscript was presented at the Midwest Psychological Association Convention in Minneapolis, May, 1982.

2. The authors wish to thank Allen Bluedorn & Bill Mobley for their comments on an earlier draft of this manuscript.

Table 1

Career Values and Plans

1) Nursing is better than most other professions for someone with my interests.

2) It is very likely that I shall be working in the nursing profession five years from now.

3) If I could decide all over again about whether to enter the nursing profession, knowing what I know now, I would not enter nursing.

4) I have seriously considered leaving the nursing profession to work in another occupation.

5) I intend to quit my present job within the next year.

6) I plan to enter a graduate program of nursing to work on a higher degree within the next five years.

7) It is unlikely that I shall be working in a job outside the home five years from now.

8) I intend to enter a graduate program outside of nursing to work on a higher degree in the next five years.

Table 2
Group Centroids on the Discriminant Functions

Group	Function 1	Function 2
Stayers	.29	.07
Leavers	-.53	-.56
Transferees	-.70	.86

Table 3
Rotated Standardized Function Coefficients

	Function 1	Function 2
1. Intention to leave present job	-.63	-.45
2. Intention to get degree outside nursing	.50	.09
3. Plan to work only in home	-.36	-.08
4. Plan to get degree in nursing	.55	.75
5. Value for friendly co-workers	.01	-.67
6. Value for nursing as a career	.23	-.53